NRC NEWS

U.S. NUCLEAR REGULATORY COMMISSION

Office of Public Affairs Telephone: 301/415-8200
Washington, DC 20555-001 E-mail: opa@nrc.gov
Web Site: http://www.nrc.gov/OPA

No. S-00-07 March 30, 2000

"Even If You Are on the Right Track...You Can Get Run Over"

by

The Honorable Greta Joy Dicus
Commissioner
U.S. Nuclear Regulatory Commission

Regulatory Information Conference

Capital Hilton Hotel
Washington, D.C.
March 28, 2000

Introduction

Good afternoon, ladies and gentlemen.

I am delighted to be here with you at the NRC's annual Regulatory Information Conference. I want to reassure you that I fully understand the position that I am in today -- that is that I am the only thing between you and lunch. Actually, I prefer this position. I found that the before-meal audience is more attentive, more focused (although not necessarily on the speaker) and that there are generally fewer questions, especially tough questions. In fact, if I go just 5 or so minutes over my allotted time, I can pretty much avoid questions altogether. And if I do get a really tough question, I can always sidestep the issue by simply saying, "Good question. Who's ready to eat?" I am, of course, kidding and will leave plenty of time for questions -- even tough questions.

Some of you may recognize that the title of my speech is derived from Will Roger's quote: "Even if you're on the right track, if you just sit there you'll get run over." I think it is fair to say that the NRC and the commercial power reactor industry and material licensees are on the right track. However, we all need to be concerned and vigilant that our regulatory reforms and industry improvements do not stall or that we become so self-congratulatory that complacency sneaks in. No matter what changes we make today, we must always consider tomorrow. A true commitment to creative thinking and to reform is predicated on a continuous reassessment and the resolve to make things better. In that regard, regulatory reform is a journey and we must expect to continue to learn and to adjust along the way.

Let me begin by stating that, today, I believe that the NRC's focus on the future is clear and that achieving our goals will take resolve, dedication, discipline, and, of course, time. In order for our goals to be achieved, they must be shared goals. They must be shared by not only by the Commission, but by you and all our stakeholders. Moreover, the implementation of changes to support our goals must not only be the right actions, but these actions must be perceived to be the right actions. We therefore must work diligently to consider all relevant concerns and ensure that we communicate effectively with everyone. We are seeking to make these changes in a way that will endure, that will continue to ensure safety, and that will provide stability, clarity, and predictability in the regulatory process.

In the last 6 months, events overseas remind us that the use of nuclear technology has a global impact and whether we are operating the technology, handling or safeguarding nuclear material or providing independent oversight, we engender a responsibility that has implications beyond corporate boardrooms and Commission tables. As the electric power industry moves toward deregulation and as the NRC moves toward improved regulatory processes, we must all be ever mindful of our most important responsibility and principal duty - safety.

I might also mention that with all five Commissioners speaking, you might hear the same message five times. There could be worse things - you could be hearing five different messages. But let me provide you with my perspective on some of the most important issues facing the agency.

Revised Reactor Oversight Process

The Commission is currently considering the staff's recommendation to implement the revised reactor oversight process in the next few weeks. The success of the new reactor oversight process is important. I believe that these broad-scale changes will allow the NRC staff to make conclusions about

licensee safety performance that are objective, predictable, defendable, and more easily communicated to our stakeholders. As you heard yesterday, at a recent Commission meeting, there was consensus, from a diverse group of stakeholders, that the new process is a better, more objective, oversight process than the current process.

Some of you may know that a recent issue has been raised with regard to one or more of the Performance Indicators associated with the new oversight process.

My view is simple. The new reactor oversight process is better, but not perfect. Both the NRC and the industry will continue to learn through implementation at all power reactors and we expect additional changes within the next year or so. I believe that any changes in the process should be fully vested with our stakeholders and that proposed changes should be implemented incrementally, through a deliberate process that will include extensive stakeholder involvement. We should be thoughtful about how we make changes at this point in the revised reactor oversight process to ensure that we do not undermine stakeholder confidence in the either the approach that led to its development or in NRC's oversight role.

If I could take some literal license with Will Rogers' quote, one might draw an analogy that when we are all traveling together "on the right track", it is best to readjust our seats, not while the train is moving, but at the next station.

As we move into this oversight process, we need to keep the lessons of the past close. We should not think that this new process, although it is much improved, will completely immunize us against declining safety performance. We can and should discuss which performance indicators are leading and which are lagging or how much risk is considered through the indicators. However, it remains highly debatable, at what point, under the new oversight program, NRC would have had to intervene to address the declining performance of some plants in the mid-1990's. So my message is simple, no tool can substitute for your continued effective management and the other actions that you take to run your plants in a prudent, safe and conservative manner.

Reactor License Renewal

I am pleased to tell you that the power reactor license renewal process is progressing well, -- extremely well by most measures. As you are aware, last Thursday, March 23, the Commission issued a renewed license for the Calvert Cliffs nuclear power plants -- an historic event. While the review was completed in just under 24 months, it was not completed at the expense of ensuring that the public health and safety and the environment would be protected. The next application for the Oconee nuclear power plants, is scheduled to be completed by August 2000. We had initially projected a 30 - 36 month schedule to complete license renewal reviews and I am optimistic that the staff, industry, and Commission will be able build on the experiences of the Calvert Cliffs and Oconee reviews and further streamline the license renewal process.

Perhaps the most important performance indicator that speaks to the initial success of the reactor license renewal program is the growing industry interest and queuing up, for license renewal. Utilities are lining up for staff resources to support license renewal for their facilities. I want to underscore Chairman Meserve's comment and that is that early dialogue with regard to projected license renewal submissions are important so that the NRC can ensure that resources are available to support the reviews, consider potential technical issues, and continue to implement process improvements.

As the electric power industry moves toward deregulation, we are examining our processes to ensure that regulatory impacts are more fully understood and that our review processes are properly focused, stable, predictable, and, where appropriate, made more effective and efficient.

The industry is clearly being reshaped by deregulation. The Commission recently directed the staff be more proactive and increase its interactions with stakeholders to identify emerging policy issues related to trends in industry consolidation. The staff is scheduled to report back to the Commission on the implications of industry restructuring, both for reactor and material licensees, in June of 2001.

Continuing to Improve the Way We Communicate

Reforming our regulatory processes begets a public confidence challenge. We must do more than merely proclaim that we are improving our regulations because it is not always intuitive, from the stakeholders' point of view, that when we improve regulatory requirements we are also maintaining safety. We can all do better in explaining complex technical issues in a manner that is clear, understandable, and placed in the proper context. This is perhaps our biggest communications challenge-- to maintain stakeholder confidence as we change our regulatory processes.

We are meeting this challenge and have made great strides in improving the way we communicate with our others. We continue to react constructively to criticism and suggestions as to how we can improve our processes for interfacing with stakeholders. The Commission and staff have sought to make greater use of the electronic media and the world-wide web through informative and comprehensive webpages. We have webpages for contemporary issues such as the new reactor oversight process and reactor license renewal and most recently for the steam generator tube failure at Indian Point Unit 2. We developed an informative webpage for this conference and, provided for online conference registration. In addition, some recent and ongoing initiatives will help ensure that information will be made available to all members of the public at the same time. We agree that ADAMS, however, is still a work in progress. To be an effective steward for nuclear safety, our actions must be such that the public, those we regulate, and other stakeholders in the national and international community have respect for and confidence in the NRC.

Many of you are familiar with our efforts to improve communications and involve all stakeholders in our decision-making processes for reactor-related issues. Let me now discuss, and demonstrate, that improving communication and public confidence touch all agency activities.

The effort to develop a geological repository program, unlike the early development of nuclear power, is taking place in the context of not only greater public scrutiny, but greater public involvement in the process.

As a result, we are addressing both highly complex technical issues and public communication issues at the same time. Consequently, I want to share with you how the Nuclear Regulatory Commission is approaching its role and responsibilities as an independent regulator with respect to the proposed Yucca Mountain geological repository.

I want to make clear at the outset that the Commission remains firmly convinced that a permanent geological repository is the appropriate mechanism for the United States to ultimately manage spent nuclear fuel and other high-level radioactive waste. The NRC continues to progress in its review and pre-licensing consultation under existing law related to the Department of Energy (DOE)

program to develop a high-level waste repository. We will work with DOE to make sure we have in place all necessary regulatory requirements and to assure DOE understands those requirements. Nevertheless, if DOE decides to submit the application for construction and operation of Yucca Mountain, it will be up to DOE to submit an application that demonstrates compliance with the NRC regulatory requirements and the acceptability of the site for licensing will be based on the merits of the site as demonstrated in the application.

Through the site characterization and suitability process, DOE must determine if the proposed Yucca Mountain site will be able to perform as designed and intended to contain and isolate spent nuclear fuel and high-level waste, and be able to provide adequate and reliable protection of public health, safety, and the environment. If the results of the site characterization and suitability process are positive and there is subsequent approval by the President and the Congress, DOE will commence preparation of a license application for a geological repository at the Yucca Mountain site.

To address the public confidence aspects of this process and to permit timely and significant public involvement in the development of repository implementing regulations, NRC determined that it had an obligation to make public as soon as possible how it would implement its risk-informed, performance-based health and safety standards. Proposed rule 10 CFR Part 63 is the NRC's proposed regulation for a geological repository at Yucca Mountain and contains specific technical criteria to which the repository's operator will be legally bound to adhere. This proposed regulation was noticed in the Federal Register (64 FR 8640) in February of 1999 for public comment. We expect to complete this regulatory framework by issuing our final Part 63 later this year.

Additionally, the Environmental Protection Agency (EPA) issued their proposed geological repository radiation protection standards in August. The main difference between the two standards being the 25 millirem/year all-pathways (Total Effective Dose Equivalent) proposed by the NRC and the 15 millirem/year Committed Effective Dose Equivalent plus 4 millirem/year separate groundwater proposed by the EPA. As legislation mandates (Energy Policy Act of 1992), the NRC is required to conform Part 63 health and safety standards to the EPA's final rule. This same legislation also designates the NRC as the agency responsible for the implementation of Part 63 standards and requirements, and for ensuring that the repository operator demonstrates adequate compliance in protecting public health, safety, and the environment.

There has been much discussion here and elsewhere about the differences between NRC and EPA as regards the appropriate standards to use for Yucca Mountain. I want to say at the outset that both NRC's proposed standard and EPA's standard do protect the public. While I know EPA has argued forcefully for their proposed standard, I do not believe a careful, objective scientific analysis can conclude that application of either standard would endanger public health and safety in any way. I do not intend to go into detail here as to the body of scientific study supporting the NRC standards. Rather, there is another issue affecting this decision that is related to basic principles of "good regulation" which should be considered once health and safety issues have been addressed. It is my understanding that EPA's position on the appropriate Yucca Mountain radiological standards is at least partially motivated by a desire to have consistency with other EPA standards for hazardous materials. Actually, it is this consistency issue that most prompts me to stand behind the NRC proposed radiation protection standards.

I firmly believe that we should not have a mix of radiation standards applying to different situations with similar risks. The health effects of radiation do not vary based on the particular source of the radiation dose. To that end I have strived since arriving at the Commission for opportunities to

use good science to promote uniformity in radiological standards whenever the opportunity arises. International radiological standards applied around the world are consistent with the standards NRC has promulgated for Yucca Mountain. I find compelling the benefits of having consistent radiation standards as opposed to trying to have consistent standards for materials that do not have similar health effects. While EPA may have a history of using groundwater standards as a measure for a variety of hazardous materials with different health and safety concerns, I believe the uniformity of effects from radiation doses no matter what the source dictate that we begin moving towards using uniform criteria across the board for radiological risks.

Clear communication and the enhancement of public confidence through stakeholder meetings, public workshops, and our general efforts to be more open to constructive criticism, are elements of this regulatory framework. The NRC believes that stakeholder interactions provide early signals of the need for change and that by remaining receptive and responsive to those signals, the NRC can continue to improve its credibility as an open minded, objective regulator, while at the same time, ensuring a predictable and stable regulatory framework as demanded by those same stakeholders.

Just recently the NRC heard from interested parties, including local governments and Indian tribes, on issues related to DOE's circulation of its draft environmental impact statement (OEIS) for Yucca Mountain. NRC submitted comments to DOE for improving the DEIS last month.

Further, although some details are still being discussed, there will be an opportunity for a hearing on the DOE application once received by NRC as a capstone to several years of other informal opportunities for receipt of public input on various issues associated with Yucca Mountain. To bring you up to date in this area, you should be aware that the Commission is currently reviewing a proposal for a comprehensive rewrite of our rules for hearings, both informal and formal. Our goals include improving the efficiency of the hearing process, assuring undue expense and burden are not placed on intervenors, state and local governments, Indian Tribes, and applicants who participate in our proceedings, and providing more consistency across the various types of hearings we conduct. This comprehensive set of improvements to the hearing process will be published for public comment in the near future and, after consideration of public comments on the rule, I expect any final revised procedures to be in effect for the Yucca Mountain licensing proceeding.

Conclusion

Establishing a high-level waste repository, a revised reactor oversight process, or a more efficient and effective license renewal process are probably cases where Will Rogers' quote is particularly relevant. While I believe that we have been, and are, on the right track with these issues, we need to be sensitive to ensure that our stakeholders do not feel they have been "run over" or "left at the station."

We rely on your feedback to help us understand if the regulatory environment is "on the right track" and then together, the NRC and its stakeholders can either "speed-up, slowdown or change tracks". When we all act, the less we react, and change that results from action is more stable than change that results from reactions.

Even if we are on the right track it seems to me that the NRC needs to make sure that we continue to move at the "right speed" so we avoid getting run over and we avoid running over all our stakeholders that are on the same track.

If your palettes can last, I would be pleased to answers some questions.
Thank you.